Assessment of Insurance Sector Reforms

1002. DR. MANMOHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) the number of new entrants to the insurance fields—both life and non-life insurance—since the opening up of this field as part of the insurance sector reforms;

(b) the volume of business transacted by these new entrants during 2000-2001; and

(c) what is Government's assessment of the adequancy of insurance sector reforms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The IRDA has informed that at present there are 7 new entrants in life insurance and 5 in non-life insurance.

(b) Since most of new entrants including those registered during financial year 2000-2001 have started insurance business during this financial year, no substantial business has been reported by these companies to the IRDA.

(c) The Government has prescribed high bench marks for capital and solvency margins to allow only competent, credible and committed players into insurance sector. This has resulted in only large and experienced Indian and Foreign Companies acting as promoters of Indian Insurance Companies. The IRDA has notified a number of regulations on various aspects to regulate and develop insurance industry. With the entry of Brokers as intermediaries and Third Party Administrators in the Healthcare Field further impetus to growth of insurance sector is expected.

Withdrawal of Routine Customs Checks at International Airports

1003. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FINANCE be pleased to state:

(a) whether there is a proposal under active considerat on of Government to withdraw all routine customs checks at all the